

April 8, 1975

SENATOR DWORAK: Mr. President, Senators, I...We're raising this limit so fast, I'd like to know what the premium impact on the \$110 is to the employer at this time before we Are we still talking about 6 percent of the cost of the workmans compensation policy to the employer? I think at this time it's a poor year to add a 6 percent fee on the employers in the state of Nebraska. I think in a time when we need to be stimulating business in the federal government leads us along this line with rebates and tax credits and investment credits and anything that they may devise to stimulate business. We come by and put a 6 percent charge or increase cost on workmans compensation insurance, which we mandate that they buy, and I think it's a poor year to do it. I would hope that we would get back to our responsibility and get back to looking at \$96 as originally contemplated.

PRESIDENT: Senator Duis.

SENATOR DUIS: Mr. President, members of the Legislature, I want you to remember that you are looking at a consumers cost. The insurance companies will charge the premium because they are allowed by law to raise their premium in accordance to what we say is the workmans comp rate. So it makes no difference to them. They'll just merely add to the policy whether it be in the middle of the term, at the end of it, the beginning or anyother time because these premiums are not paid at the beginning of the year. There's only an advanced premium computation that's paid. Then they're audited at the end of the year as to the amount of salaries they paid out in different catagories. And then their premium is adjusted so that they take care of it. Now there's only one way they can do it and that's to charge the person that they're giving the service to so it goes right back to the consumer and I suppose the person who is collecting the workmans compensation is going to be the ultimate consumer and the one who will pay for this premium. If the person who is in business has to pay additional premium for his workmans compensation, if he's a good business person or a corporation or whatever it may be, then he will increase his rate per hour for the services he renders or the object that he pays. So if you want a little more inflation, this is the way to get it. I presume that there are a certain number of employers who will not catch up with this fast enough and they consequently will lose. It's just a round-robin what we're going through here and as insurance go, they...it makes no difference to them because their premium will increase and ultimately it will go right to the consumer.

PRESIDENT: Senator Cope.

SENATOR COPE: Mr. President, Members, I hope everybody realizes that the increase from \$89 to \$110 is 23.6 which is a pretty healthy increase for one jump. And this year especially.

PRESIDENT: Senator Frank Lewis.

SENATOR FRANK LEWIS: Inaudible.

PRESIDENT: Senator Cavanaugh, this is your substitute to Senator Kelly's amendment. Senator Kelly.

SENATOR KELLY: Mr. President, lets do the Cavanaugh-Kelly team. My statement is real simple. We are voting a maximum.